

Autonomy in Action: Bureaucratic Competition Among Functional Rivals in Denver Water Politics

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Ascribing motivation to bureaucratic behavior has been a long-standing problem in public policy scholarship. Most examinations of bureaucratic motivation explore two competing theories. Some contend that government managers are primarily motivated by the quest for more resources, widely known as aggrandizement. Others assert that government managers are preoccupied with organizational maintenance and the desire for autonomy. Scholars look for evidence of agency competition in situations where functional rivalry exists as a means of examining these theories. Recently, Kunioka and Rothenberg (1993) concluded that government managers in the U.S. Forest Service and the National Park Service were more concerned with agency autonomy than with aggrandizement because they did not show competitive inclinations. This article seeks to demonstrate that government managers in autonomous agencies reveal competitive behaviors when core tasks are threatened. It also presents an analytical framework based on three overt behaviors that can be used to examine autonomy in action. The analytical framework is applied to the Denver Water Board's behavior in the context of Colorado water politics.

Most scholars interested in public administration recognize the integral role government managers play in the policy process. Government managers use their knowledge and skills to contribute to the content of public policy, to write rules and regulations, and to deliver public goods and services. Thus, given this level of participation in governing, scholars have searched for a theory of motivation that can be used to help explain administrative behavior. One reason that the motivation question has yet to be answered is that government managers, like all people, have many motivations—from the civic-minded manager's desire to improve service delivery to the greedy abuser of government perks.

Two theories of motivation have emerged to compete for the attention of scholars. The aggrandizement theorists assert that government managers are motivated by the quest for more money, more people, and more responsibilities. Most often these gains are made at the expense of functional rivals in the competition for limited government resources (Downs, 1967;

Niskanen, 1971; Rourke, 1984; Tullock, 1965; Twight, 1983). To test this theory Clarke and McCool (1985) examined the behavior of functional rivals among federal natural resource management agencies. Clarke and McCool found that the agencies most adept at expanding their responsibilities under the National Environmental Policy Act also gained more resources, which supported the aggrandizement theory. The Army Corps of Engineers and the U.S. Forest Service, the most ardent competitors, earned bigger budgets and hired more personnel than their functional rivals (Clarke and McCool, 1985).

Other scholars have challenged the aggrandizement theorists, arguing that government managers are more interested in maintaining agency autonomy than expanding their reach and resources (Kunioka and Rothenberg, 1993; Mumme and Moore, 1990; Wilson, 1989, 1978). These scholars, borrowing from Wilson, define autonomy as "relatively" undisputed jurisdiction over specific policy arenas (Wilson, 1989, pp. 181, 183n; 1978). Under this theory, government managers avoid new responsibilities because they rarely come with expanded resources. Instead, new responsibilities often carry the burdens of new clients, more oversight, and new opportunities for failure. New responsibilities may also be in conflict with the basic operational objectives of the agency, or its "core tasks" (Wilson, 1989, pp. 221-226). Core tasks are a useful measure of autonomy because they are difficult to change and often "provide the basis for a strong and widely shared sense of mission" (Wilson, 1989, p. 195; 1978, p. 12).

EXAMINING AGENCY COMPETITION

Kunioka and Rothenberg (1993) compared the aggrandizement and autonomy theories using case studies in which the National Park Service and the U.S. Forest Service were in competition. Contrary to Clarke and McCool (1985), they found that managers in these organizations were not eager to take on new responsibilities, to criticize functional rivals for poor performance, or even to pat themselves on the back by publicizing their agency's achievements. Instead, these managers worked to avoid new responsibilities that they deemed too political, controversial, or contrary to their missions. Thus, Kunioka and Rothenberg concluded that "concerns over autonomy consistently predominate" the decisions government managers make (1993, p. 721).

The contrary findings of these two studies reveal some interesting problems with the autonomy and aggrandizement theories that will be addressed in this article. First, Kunioka

and Rothenberg base their conclusion on a lack of supporting evidence for competitive behavior between the Forest Service and the Park Service (1993, p. 721). However, this conclusion defies a great deal of empirical evidence indicating that even autonomous agencies exhibit competitive behavior (Downs, 1967; Niskanen, 1971). The Army Corps of Engineers is an autonomous agency in that it has well-defined core tasks, a supportive constituency base, and enjoys relative freedom from executive interference. However, the Corps has found itself entangled with the Bureau of Reclamation in the western states (Maass, 1951; Mazmanian and Nienaber, 1979). Wilson contends most government managers would like to have the freedom to pursue their agency's core tasks with a minimum of external constraints, but this is rarely the case (1989, p. 181). Instead, government managers must compete to maintain their control over specific policy arenas.

Second, both of these studies fail to consider the possibility of vertical or horizontal competition from functional rivals in other governments. Vertically, federal, state, and local agencies sometimes compete with each other for control over responsibilities and resources. In Denver, Colorado, the Denver Water Board has successfully thwarted the Bureau of Reclamation's attempts to build raw water facilities for that city (Ellison, 1993). In another example, Crotty (1987) described how state environmental protection agencies are often at odds with the U.S. Environmental Protection Agency over federal mandates and the conditions of primacy. Horizontally, functional rivalry is evident between similar agencies in different governments at the same level. State economic development agencies compete for business (Grady, 1987); local water agencies compete for new service opportunities (Kahrl, 1982; Wiley and Gottlieb, 1982); while regional airport authorities compete for travelers (Axelrod, 1992).

REEXAMINING AGENCY COMPETITION

This study seeks to show that autonomous agencies exhibit competitive behavior when their core tasks are threatened with its analysis of the Denver Water Board's behavior in the context of Colorado water politics. The Denver Water Board is an ideal candidate for this analysis because it has competed with functional rivals, both vertically and horizontally, to maintain its autonomy. Vertically, the Denver Water Board has competed with the Bureau of Reclamation for limited water development opportunities in Colorado. Horizontally, the water commissioners have found themselves in competition with other

municipal water utilities for new service opportunities.

Additionally, the Denver Water Board possesses three characteristics of a successfully autonomous agency: objective and well-defined goals, sufficient and available technology, and the freedom to “apply a suitable technology to a given objective” (Wilson, 1978, p. 203). The Denver Water Board’s core task is clearly defined in the city charter.¹ Next, water lawyers and engineers who are experts at water appropriation and delivery dominate the Denver Water Board, ensuring the agency’s technological capabilities. Finally, the politically isolated Denver Water Board has consistently demonstrated that it possesses the freedom to pursue water development initiatives even when faced with stiff resistance.

This analysis assumes that government managers work to maintain autonomy and that sometimes their behavior is competitive. By focusing on how the agency has worked to perform and protect its core tasks over time, I intend to overcome the weaknesses of the Kunioka and Rothenberg (1993) and Clarke and McCool (1985) studies discussed earlier. First, competitive behavior is not inconsistent with the autonomy model. Thus, managers at the Denver Water Board should reveal competitive inclinations when the agency’s core tasks are threatened. Second, this analysis will examine threats to the Denver Water Board’s core tasks from functional rivals in other governments.

Additionally, rather than looking for behaviors that should be evident if competition existed, Wilson (1989) and Mumme and Moore (1990) provide a framework for examining autonomy in action that focuses on three observable behaviors relative to the core task idea, namely:

- *Avoiding control by elected officials*, which implies any action government managers take to thwart external attempts to alter the agency’s ability to perform its core tasks
- *Avoiding unwanted functions*, which implies an unwillingness by government managers to accept new tasks that may detract or hinder the agency’s ability to perform its core tasks
- *Resisting predation by other agencies*, which implies an unwillingness by government managers to share or give-up programmatic responsibilities to other governments (Ellison, 1995)

To assess the Denver Water Board’s behavior over time, case studies were selected in which outside entities presented some threat to the agency’s ability to perform its core tasks. As other scholars have noted, analyses of this type often involve

discovering the idiosyncrasies of agency behavior—or those elements that differentiate one organization from another (Clarke and McCool, 1985; Rourke, 1984). Case analysis is required to ascertain the variables that may be used to explain agency behavior in subsequent quantitative studies.

The following section presents a brief description of the sources of competition in Denver metropolitan water politics. Next, the agency's ability to maintain its autonomy will be examined in terms of the three behaviors described above. Documentary information, archival data, and information gleaned from interviews were collected on the Denver Water Board between April 1992 and January 1993. Documentary and archival data were collected at the Denver Public Library Western History Collection, the Denver Water Board Archives, regional newspapers, magazines, university libraries, and government documents collections. Interviews were conducted with a variety of actors in Denver water politics to gain a broader understanding of Denver Water Board behavior and to check data gathered. Selection of interviewees was partially based on the results of an elite survey conducted in 1990, in which the participants, selected by reputation, were asked to name the most influential individuals and groups in Denver water politics. Sixty-four original interviews were conducted with past and present Denver Water Board commissioners and employees (29); with local, state, and federal government employees and elected officials (18); and with representatives from environmental interest groups, pro-growth organizations, and the private sector (17). Thirteen follow-up interviews were conducted with various members of each of the three groups.²

THE DENVER WATER BOARD: SOURCES OF COMPETITION

Economic development and growth in the Denver metropolitan area depend on the availability of water. Denver's location in the South Platte Valley, at the base of the Rocky Mountains, is not the ideal location for a large city. The mountains block most of the moisture from the west and the region's groundwater is nonrenewable. It was inevitable that the streams feeding the tiny settlements of Denver City and Auraria during the 1850s and 1860s, the South Platte River and Cherry Creek, would become quickly inadequate as Denver grew into a large city by the turn of the century (Dorsett, 1977; Miller, 1971; Milliken, 1988).

To gain control over the city's growth and development, Denver's citizens purchased the Denver Union Water Company

and created the Denver Board of Water Commissioners in 1918. Since Denver's progressive leaders wanted the water department to be "managed by a non-political board of businessmen," the new water department was organized along the commission model (Pickering, 1978, p. 95). Members of the board were appointed by the mayor, served six-year overlapping terms, and could not be removed from office. Additionally, the water commissioners were given complete control over the water department's revenues, which were placed in a water fund and kept strictly separated from the city's general fund. By separating the board from the political influences of elections and the annual budget process, the progressives hoped that the commissioners would be free to apply business principles to managing the water utility. While the water commissioners need voter approval before projects can be financed with municipal bonds—their one source of accountability—public appeals for funds rarely have been denied. In the face of board reports predicting higher costs, more conservation, and limited growth, most citizens eagerly approved new projects (Johnson, 1969; Kahrl, 1982; Miller, 1971).

The Denver Water Board's core task—to assure an adequate supply of high quality water for all uses and purposes to Denver and its surrounding inhabitants and to lease water not needed by Denver to the surrounding metropolitan area—made sense when it was created in 1918 through referendum to the city charter. Denver was the largest city in the area and it alone had the service base needed to support a large water utility. Moreover, most people in Denver and the outlying communities expected the city to annex smaller communities as its boundaries expanded. When the citizens of Colorado created the city and county of Denver by approving Article XX to the Colorado Constitution, it not only passed by a large margin but it also included provisions that made for easy annexation to the city (Cox, 1967; Johnson, 1969; Miller, 1971; Milliken, 1988; Mosley, 1966).

SOURCES OF COMPETITION

The Denver Water Board competes with two sets of functional rivals to perform its core task. As a water resources development agency—building large diversion, storage, and treatment facilities—the board competed with water developers on both sides of the Rocky Mountains for limited project construction opportunities. The Bureau of Reclamation, for example, has sponsored several massive irrigation projects on both sides of the mountains. One bureau client, the Northern Colorado Water Conservancy District, currently operates the

largest transbasin diversion project in the world (Tyler, 1992). Additionally, several cities, including Englewood, Thornton, and Colorado Springs, have developed their own water projects. While this activity does not directly affect the board's ability to develop its water rights, which are protected by the Colorado Constitution, it does exacerbate state-wide tensions that make development more difficult.

Next, as a water utility—delivering clean water to the citizens of Denver and leasing water to area inhabitants—the Denver Water Board competes with other municipal water departments in the metropolitan area. During its early years, the board dominated competition for new service areas because it had most of the water. But in the 1950s, the board imposed several service restrictions on the suburbs that forced many of them to develop independent water supplies. By the 1970s, these water departments were positioned to offer service to new areas. Suddenly, suburban politicians saw new revenue opportunities in the unincorporated developments that were springing up around Denver. Recognizing Denver's past annexation successes, suburban politicians promoted plans that would allow their general purpose governments to extend services to new areas, annex them, and collect their sales and property taxes (Ellison, 1993).

Standing between regional and suburban plans for water resources development are several institutional arrangements that make the Denver Water Board a formidable obstacle. For example, the doctrine of prior appropriation, the fundamental tenet of Colorado water law, gives the Denver Water Board an advantage in the competition because its first members—the board itself, along with the banking, construction, and business communities that had the most to gain from Denver's growth—had the foresight to secure the western slope water rights needed to service what some hoped would become a 600-square-mile supercity (Miller, 1971; Milliken, 1988). Additionally, because Denver's progressive leaders feared the chicanery of state politicians, Denver's home rule amendment included provisions that protected its right to operate a municipal utility (Colorado Constitution, art. XX, sect 6). Article V, section 35 of the Colorado Constitution states that the "General assembly shall not delegate to any special commission ... any power to make, supervise, or interfere with any municipal improvement, money, property, or effects ... or perform a municipal function whatever." Article XXV established the Colorado Public Utilities Commission (PUC), whose members are appointed by the General Assembly, and empowered it to

regulate utilities “provided, however, nothing herein shall affect the power of municipalities to exercise reasonable police and licensing powers, nor their power to grant franchises; and provided, further, that nothing herein shall be construed to apply to municipally owned utilities.”

What makes these institutional arrangements especially troublesome for the Denver Water Board’s competitors—other water developers and municipal utilities—is that they are also protected by these provisions in the Colorado Constitution. Elected officials and government managers in other suburban cities also want to develop their water rights and water utilities but do not want the state’s Public Utilities Commission to regulate their activities. Thus, any changes in these arrangements that would hinder the Denver Water Board would also affect them.

Other Sources of Competition

To fully appreciate the competitive environment in the Denver metropolitan area for water resources development and distribution opportunities, it is important to briefly review the Denver Water Board’s relationship with the governments that lease its water. These entities—mostly special district governments and the region’s independent water developers and municipal utilities—play a special role in the intergovernmental mix of threats to the Denver Water Board’s autonomy.

Many of the people who moved into the booming Denver metropolitan area during the 1950s and 1960s decided to live outside the city. In 1940, 28 percent of the metropolitan population lived outside Denver. By 1960, that number climbed to 49 percent of the total metro population; by 1986, it was 75 percent. Meanwhile, Denver’s population had stabilized at approximately 500,000 people by 1960 (Denver Regional Council of Governments, 1986; Milliken, 1988).

Because these people were moving into unincorporated developments outside Denver, they were without public services and understandably turned to the water commissioners for water service. In response to this demand, the board implemented several policies designed to protect water quality and the structural integrity of their water system. First, the board only signed distribution contracts with special district or municipal governments, reasoning that these governments would have the taxing authority to maintain their systems. Second, the board enforced operational compliance through its *Engineering Standards* manual, and its rules and regulations for water distribution. Taken together, these actions helped assure the engineers that these systems would be in compliance with

board's rigorous technical standards when they were acquired through annexation sometime in the future (Board of Water Commissioners, 1981).

Two things happened, however, that created a series of unusual institutional arrangements in Denver water politics. First, the Denver Water Board's operational policies created a proliferation of special district governments in the Denver metropolitan area, specifically created to distribute its water. Second, suburban citizens did not want to become part of Denver and, in 1974, successfully amended the state's constitution, taking away the city's annexation powers (Milliken, 1988). Suddenly, many suburban general purpose governments found themselves freed from the threat of annexation, but in their midst were dozens of special district governments with institutional ties to the Denver Water Board. Instead of the city officials from Littleton, Colorado governing the municipality's most precious resource, water service was still controlled by the Platte Canyon Water & Sanitation District and the Denver Water Board. Thus, even though the relationship between the city of Denver and the suburbs had been radically altered, the fundamental institutional relationships that controlled growth and land-use planning were still in place (Ellison, 1993).

These tensions have been further exacerbated by the Denver Water Board's policies regarding service priorities and its aggressive pursuit of its water development and distribution missions. The board's charter directs its commissioners to provide water to Denver's residents at rates "as low as good service will permit" (ch. C, art. IV, sec. C4.22) and to service them first during times of drought (ch. C, art. IV, sec. C4.26). In practice, the water commissioners subsidized the cost of service to Denver's residents with higher suburban rates and included provisions in their delivery contracts that forced the suburbs to bear the brunt of any water shortages. Over the past 30 years, this situation forced suburban politicians to denounce the Denver Water Board and to call for independent water supplies. Nevertheless, the water commissioners sought every opportunity to expand their agency's capacity to provide water service to the suburbs. During the 1970s, the water commissioners fought to construct the massive Foothills Water Treatment Plant; in the 1980s, they sought the permits needed to build the Two Forks Dam and Reservoir. These actions forced the board's competitors to cry foul. Denver already had ample water supplies and further extensions of water service to the suburbs threatened regional economic development plans. Suburban leaders realized, like Denver's early progressives, that

water was the key to controlling and benefiting from growth.

AVOIDING CONTROL BY ELECTED OFFICIALS

Since the 1950s, politicians from general purpose governments in the Denver metropolitan area and the western slope have launched several efforts to place the Denver Water Board under the control of elected officials. Some politicians called for the Colorado Public Utilities Commission to regulate the board's activities, for regional representation on the Denver Water Board, or for the formation of a metropolitan service authority capable of developing and controlling water resources. Almost without exception, the water commissioners used their expertise in the legal, technical, and financial issues related to water resources development and delivery to respond to these threats.

Earnest threats to politicize the Denver Water Board's assets began in the courts in the 1950s. The city of Englewood argued in state court that the board's control over regional water resources—specifically its power to set rates and direct water use in Englewood—made it a regional utility and therefore subject to state regulation under the Colorado Public Utilities Commission. Unfortunately for Englewood, both the Colorado district and supreme courts agreed with the board's argument that Denver's residents had "mortgaged their homes and businesses to pay for the present system" and that state regulation would take a substantial portion of their investment away ("Chase Looks," 1950; *City of Englewood v. City and County of Denver*, 1951; "Denver-Englewood," 1950; Gustin, 1950).

At the same time, a coalition of western slope governments sued the water commissioners in federal district court, contending that construction of a massive transbasin diversion project, the Blue River-Roberts Tunnel Diversion, would inhibit their ability to grow and that "since the water falls naturally on the western slope, it should remain there" (Buchanan, 1950, p. 3). This lawsuit was resolved in 1955 when then-President Dwight D. Eisenhower mediated a settlement, called the Blue River Agreement, between the board and the western slope. In exchange for a halt to the litigation, the Denver Water Board agreed not to sell its surplus water to farmers, to reimburse the Bureau of Reclamation for hydropower losses created by the diversion, and to slow the pace of their transbasin diversion projects (Gavin, 1955; "Ike Given Credit," 1955; "Proposal Brightens Hopes," 1955; Stoleberg, 1955).

While each of these items would seem to limit the board's autonomy, they actually enhanced it. The agreement not to provide

water to farmers was most important to the western slope coalition because its members did not want to see the Denver Water Board in the business of transporting agricultural water over the mountains. For their part, the board did not want to provide water to farmers either because it would tie the city's water supply to the state's powerful agriculture industry (Ellison, 1993).

Still, contrary to the expressed intent of the agreement, the board used the other two items to justify construction of additional transbasin diversion facilities. In 1956, the water commissioners announced plans to expand the Williams Fork Collection System in order to generate electricity ("Blue-South Platte," 1956). Needless to say, stunned politicians from the western slope governments immediately announced plans to sue the board (Stoleberg, 1955). But within a month the Bureau of Reclamation forced the western slope governments to back down. The bureau supported the expansion since it would provide the power needed to meet the stipulations of the Blue River Agreement. For their part, the western slope governments were hesitant to cross the Bureau of Reclamation because they were not willing to jeopardize their own Ute Park Reclamation Project (Brenneman, 1956). Thus, the Denver Water Board used its legal expertise to change the definition of the problem from too much water going over the mountain to a shortage of generated electricity; in so doing, the board made an ally of the bureau while depriving elected officials from western slope governments of any influence over the its water development policies.

In addition to legal expertise, the board depended on its technical experts to help them oppose threats to its political autonomy. In most cases, technical expertise has been used to help keep the public's attention focused on the agency's core tasks. In the 1920s, when a funding referendum was rejected by Denver's residents, the board commissioned an independent engineering firm to conduct a study of the city's water resources. When the report confirmed the board's warnings that drought was inevitable, Denver's citizens quickly approved the water commissioners' second funding referendum (Cox, 1967; Mosley, 1957). Thus, from the agency's inception, the commissioners knew that expertise could be used to enhance public support, and they have used it most effectively when elected officials threatened their autonomy.

During the debate surrounding the board's intention to construct the Foothills Water Treatment Plant in the 1970s, a variety of elected officials discussed the water commissioners' role in urban sprawl, annexation, and the need for them to join various intergovernmental cooperation initiatives. But the board

consistently pointed to their decreasing capacity to provide treated water to the suburbs. By the late 1970s, as the board's commissioners began to back up their predictions with constraints such as lawn and garden watering restrictions, the Foothills controversy was quickly resolved in their favor (Ellison, 1993).

The Denver Water Board also used its fiscal expertise to protect itself from challenges to its political autonomy. In February of 1986, Denver's Mayor Frederico Peña formed the Metropolitan Cooperation Group and offered to trade control over Denver's water supply for suburban assistance on a "wide variety of issues" such as "transportation, the airport, health care for the indigent, cultural facilities, growth and land use planning, and other topics" (Davis, 1989, p. 18). Ultimately, the Metropolitan Cooperation Group did provide a forum that contributed to cooperation on the creation of a cultural facilities district, implementation of a regional air quality program, and construction of the Denver International Airport. But the group failed to develop an intergovernmental entity, such as a regional water authority, that could provide the basis for a new form of metropolitan governance.

One reason the Metropolitan Cooperation Group failed to achieve its objective was that the water commissioners insisted Denver recoup its water investment before they would go along with the formation of a regional water authority. This strategy served the Denver Water Board well because it focused Denver's attention on its most valuable asset and split regional solidarity on the water issue. Thus, while local elected officials could agree that a regional water authority should be created, they could not agree on the details that the board's fiscal demands created: Who should pay for the system and who should run it? Metropolitan governments contended that Colorado should pay for the system to eliminate regional service fragmentation. But these same local governments, both counties and municipalities, could not agree on the membership of any proposed service authority. County officials did not want city officials running the service authority because they would have been overly concerned with urban issues, while municipal officials feared that the counties would allow over-representation by suburban interests (Ellison, 1993).

The examples presented here reflect actions the Denver Water Board has taken to avoid control by elected officials. While other examples abound, my purpose here is to show that government managers must often work in a competitive environment to protect their agency's ability to perform its core tasks. Under the Colorado Public Utilities Commission's regulation, the board's ability to provide high quality water to Denver's citizens first,

before considering the needs of the suburbs, would be curtailed. Without a willingness to protect the citizens' investment in their water department, local politicians might trade their assets away.

AVOIDING UNWANTED FUNCTIONS

Government managers will avoid new functions that may detract or hinder their agency's ability to perform its core tasks. For the Denver Water Board, the requirements to perform new functions have mostly come with its efforts to comply with federal environmental regulations during permit application processes.

During the 1950s and 1960s, the water commissioners could ignore federal water programming pressures simply by turning their backs on the federal government's money. The board had its own resources; during the 1960s, it doubled its raw water capacity by completing a massive transbasin diversion project that the federal government had offered to build. But its success at developing raw water facilities during the 1960s created new problems during the 1970s. Constructing raw water facilities solves only half the problem since water must be treated before it can be delivered to customers. Thus, in 1973, facing extreme shortages in its treated water supply, the board proposed construction of the Foothills complex, which would include a water treatment plant and the Strontia Springs Dam and Reservoir (Milliken, 1988).

Since the board had plenty of treated water to meet Denver's needs, it justified construction of the Foothills complex based on suburban need. However, by promoting the Foothills complex as a suburban project, the board made a costly error that stalled its initiative and empowered its rivals. Denver's residents did not understand why they should finance suburban water projects and refused to pass the board's first bond initiative. Suburban politicians used their position in the debate to encourage a broader discussion about annexation, economic development, and environmental problems (Milliken, 1988).

Moreover, the board was unprepared for changes in its policymaking environment that resulted from passage of federal environmental legislation during the early 1970s. Suddenly, long-ignored environmental interest groups could participate in the board's decision-making processes. Federal agencies also played new roles. The Bureau of Land Management, in compliance with the National Environmental Policy Act (PL 91-190), was selected to assess the project's environmental impacts and even to make recommendations about alternatives; the Denver Water Board was required to apply to the Army Corps

of Engineers for the permits needed to build the reservoir (Federal Water Pollution Control Act Amendments of 1972, PL 92-500; Gordon, 1978a, 1978b; U.S. Department of the Interior, Bureau of Land Management, 1977).

The Denver Water Board responded to these new threats through its usual tactics, imposing service restrictions that quickly encouraged Denver's residents to pass the Board's second bond initiative. But the suburbs and the federal government refused to budge on their demands. Suburban politicians wanted to alter Denver's annexation powers through the formation of a intergovernmental boundary control commission. Federal officials, such as the Environmental Protection Agency's regional administrator, hoped to link the development of water projects in Denver to suburban sprawl, air pollution, lack of public transportation, and even regional institutional structures for land use planning (Gordon, 1978b).

In February 1979, Congressman Timothy Wirth (D-Colorado) mediated a settlement to the dispute. In exchange for the permits needed to build the Foothills complex, the board agreed to implement a water conservation program; to improve wildlife habitat downstream from Strontia Springs Reservoir; to increase public participation in the board's policymaking activities; and to pay legal expenses for the environmental interest groups (Foothills Consent Decree, 1979).

To the Denver Water Board, two of these items were unwanted functions that could not be easily reconciled with its core tasks. The water commissioners were not charged with developing public participation programs or with regulating the behavior of their customers. Instead, the water commissioners viewed their core tasks in the starkest engineering and business terms. Storing, treating, and delivering water to the citizens of Denver and leasing unneeded water to the suburbs was not a social problem that required public participation, but a technical problem that was dependent on the services of engineers and lawyers. Thus, the water commissioners devised responses to each of these new tasks that kept them strictly separated from the agency's ability to perform its core tasks.

In response to the settlement's public participation requirements, the Denver Water Board created a Citizens Advisory Council (CAC) composed of citizen volunteers from Denver, the suburbs, and the western slope. But since the council was not given a formal role in the board's decision-making processes, the water commissioners quickly brushed it aside. During the Two Forks debate of the 1980s, the advisory council did not even take a position on the proposed 1.1 million

acre-foot reservoir. As a past CAC president noted, the advisory council simply "went invisible" during the Two Forks debate because of internal bickering and a real sense that their efforts were going unnoticed (Ellison, 1993). Thus, the board did create a forum for public participation to comply with the terms of the Foothills settlement, but it did not give the resulting council a genuine role in its decision-making processes.

The conservation programs the Denver Water Board developed in response to the Foothills settlement were also designed to protect the agency's ability to perform its core tasks. To the water commissioners, conservation programs were public relations tools that could be used to encourage the wise use of water. Indeed, the board had always operated some conservation programs. In 1938, the board restricted lawn and garden watering and wrote in its first operating rule that "water shall never be wasted" (Board of Water Commissioners, 1989). In 1957, the agency imposed a metering program on its suburban customers and on new homes in Denver, and by 1979 had already started several education programs designed to raise public awareness about water use (Board of Water Commissioners, 1989, 1974).

The fundamental issue to the environmentalists, however, was not whether the water board had implemented conservation programs, but whether the resulting water savings were incorporated into the agency's hydrological models. As one scholar noted about the Denver Water Board, engineers have lingering "questions about the reliability of conservation as a water management tool and the degree to which conservation should substitute for development of additional supplies during nondrought periods" (Milliken, 1988, p. 362). Thus, while the environmentalists wanted to implement conservation programs to reduce the need to construct new water plant facilities, the engineers did not even include conservation savings in their hydrological models.

Nevertheless, the water commissioners acknowledged that water savings from conservation programs could be used as a supply component in their models and agreed to work with the Environmental Protection Agency and the Army Corps of Engineers to establish and monitor conservation goals. The board even agreed not to pursue any water development initiatives until these goals were achieved. But in 1986, far from meeting the objectives of the water savings program, the board announced its intention to build the Two Forks Dam and Reservoir. Revealing the internal dynamics of the water department, the board even justified the need for Two Forks

with hydrological models that projected no decrease in per capita water use by the year 2010 (Ellison, 1993).

Needless to say, the stakeholders in the Foothills settlement were outraged by the board's newest construction proposals, but the water commissioners had two responses. First, they argued that the Foothills settlement simply required a good faith effort toward the goals (Hill, 1989). Second, they questioned the legality of the agreement since a U.S. District judge had refused to sign the final consent decree due to jurisdictional concerns (Obmascik, 1989; *Foothills Consent Decree*, 1979). Thus, in the end, the board revealed that it was not willing to surrender one core aspect of its autonomy—its ability to determine its own performance measures—to public demands for effective conservation programs.

The Denver Water Board quickly implemented the final two points of the Foothills settlement since they did not affect its core tasks. The provision requiring the improvement of downstream habitats was satisfied when the board agreed to help the Army Corps of Engineers maintain minimal water levels in the two streams that flow through Denver, the South Platte River and Cherry Creek (Board of Water Commissioners, 1991). The board paid environmentalists' legal expenses, which amounted to \$47,500 (*Foothills Consent Decree*, 1979).

By the early 1990s, after the Two Forks debate, the board changed its policies on many of these issues. Conservation savings are now used in the agency's hydrological models and its Citizens Advisory Council plays a more active role in policymaking activities. Still, the water commissioners made these changes when they decided that operational adjustments were needed, not when elected officials or other agencies told them that they had to be made.

RESISTING PREDATION BY OTHER AGENCIES

Resisting other agencies' predation was defined earlier as governmental managers' unwillingness to share or give up programmatic responsibilities to other governments. For the Denver Water Board, this would mean sharing responsibility for storing, treating, and delivering water to Denver's residents and for leasing unused water to the suburbs. Most attempts by other agencies to gain some influence over the board's decisions regarding its core tasks have been subtle. The Bureau of Reclamation cannot simply take over the Denver Water Board's responsibilities for water resources development, but it can propose projects with attractive financing provisions that would have the same effect.

In 1948, for example, the Bureau of Reclamation issued a report entitled *Blue-South Platte Project Colorado: A Potential Transmountain Diversion Project* that proposed construction of a massive transbasin diversion for the front range. This project included a reservoir on the Blue River, a transbasin diversion tunnel, Two Forks Dam and Reservoir, and the conveyance facilities necessary to deliver the water to municipalities and farmers along the front range (U.S. Department of the Interior, Bureau of Reclamation, 1948).

The bureau's offer would have been irresistible to most cities (Gottlieb, 1988; Reisner, 1986; Wiley and Gottlieb, 1982). Why not let the federal government subsidize Denver's municipal water supply? But the Denver Water Board opposed the federal plan, arguing that the Bureau of Reclamation had overestimated the supply available from the Blue River (Cassai, 1955; "Blue-South Platte," 1956). Instead, the water commissioners pursued a smaller project, the Blue River-Roberts Tunnel Diversion, that did not require the construction of Two Forks or an agricultural component.

If the Denver Water Board had supported the bureau's project, its ability to perform its core tasks would have been undermined. Sharing capacity in a federal reservoir, with a variety of other claimants, does not carry the same control as owning the reservoir and making the rules. During times of drought, the suburbs and farmers would have begged the federal government for their fair share of the project's capacity. Additionally, many of the Denver Water Board's customers and other suburban governments have water rights on the western slope but do not have the fiscal capacity to build their own facilities. These governments would have surely pursued any opportunity to develop their water rights through a neutral agency, altering the region's water development dynamics.³

The greatest threats come from the board's functional rivals in the Denver metropolitan area. As described earlier, elected officials from these governments have long sought water independence and have even worked with Denver officials on plans that would give them some control over the Denver Water Board's resources. Prior to the Foothills conflict, however, the water commissioners simply ignored these governments during their water development initiatives. But after the Foothills conflict, the water commissioners realized that suburban opposition to its projects, in conjunction with new federal regulatory requirements, would present a formidable obstacle to their future water development plans.

In a first step toward gaining suburban support for their

next water development venture, Two Forks Dam and Reservoir, the water commissioners made a deal with their special district water distributors in 1982. In their Metropolitan Water Development Agreement, the water commissioners offered these governments a share in all future projects in exchange for their financial and political support (Board of Water Commissioners, 1982). Following from this agreement, in 1984, the water commissioners signed the Platte and Colorado River Storage Projects Participation Agreement:

Whereas, the Board, having carefully considered all relevant factors affecting its ability to discharge its obligations under the charter of the city and county of Denver to provide adequate water supplies both for the present and in the future for use inside the City and County of Denver as well as its contractual obligations for the provision of present and future incremental needs of presently existing distributors of water from the Denver Municipal Water Works System, has found, determined and declared, in the exercise of its sole discretion, that 80% of the [Two Forks] yield will not be required to discharge those charter and contract obligations...(Board of Water Commissioners, 1984, p. 5).

Thus, since the Denver Water Board needed 20 percent of the project's capacity to adequately perform its core tasks, it offered the remaining 80 percent to its distributors. The deal did, however, have several catches. First, in exchange for 80 percent of the project, the distributors had to pay 80 percent of the costs, including up-front costs for the permit process. Second, the commissioners asserted they maintain control over any facilities constructed under the agreement since their use and value were still dependent on the water department's pre-existing facilities. Finally, the board would also maintain control of the permit and construction processes (Board of Water Commissioners, 1984).

After the board signed this agreement with its water distributors, it announced that the coalition would not immediately seek the permits needed to build Two Forks. Instead, it offered to conduct a system-wide environmental impact analysis to assess the metropolitan area's water needs and explore alternatives to development.⁴ This study was strongly supported by the various stakeholders in the process, including the environmental interest groups and many of the suburban general purpose governments. While some of the suburban general purpose governments remained quite hostile

to the Denver Water Board, the new spirit of intergovernmental cooperation that the impact analysis represented encouraged many members of Mayor Peña's Metropolitan Cooperation Group to believe that regional government reform was possible (Davis, 1989; Russell, 1987).

However, promises of government reform and the conduct of the system-wide environmental impact analysis were proving disastrous for the special districts that signed the Metropolitan Water Development Agreement. Because the Metropolitan Cooperation Group's discussions focused on the reform of metropolitan governance, the special district water distributors were excluded from the proceedings. Thus, just when the distributors were on the verge of building Two Forks, their own water storage facility, the general purpose governments were involved in discussions that might either dash their hopes of becoming self-sufficient or abolish them altogether. Moreover, as the costs of the impact study increased, the distributors were reminded that they were contractually obligated to pay 80 percent of the bill, which had grown to well over \$30 million dollars by 1986.

Relief for the special district distributors finally came when the Denver Water Board announced that it would formally apply for the permits needed to build Two Forks in late 1986. The board's announcement brought a barrage of attacks from federal agencies, suburban governments, and environmental interest groups. Federal agencies, such as the U.S. Fish and Wildlife Service and the Environmental Protection Agency, contended that a mitigation plan to offset the project's environmental damage could not be developed. Suburban governments became especially riled as members of the Metropolitan Cooperation Group began to seek new water development alliances. The environmentalists, lead by the Environmental Defense Fund, Trout Unlimited, and the National Audubon Society, were able to successfully undermine public support for the project by revealing the board's previously unchallenged technical assumptions. Despite these challenges, by 1989 the Corps of Engineers announced that it would grant the water board the permits needed to construct Two Forks. But in 1990, after the water commissioners had spent more than \$40 million dollars to produce the nation's most costly environmental impact statement, the Environmental Protection Agency began to take the necessary steps to veto the Corps' permits (Ellison, 1993; Leucke, 1990; U.S. Environmental Protection Agency, 1990).

By signing the Metropolitan Water Development Agreement, the water commissioners seemed to change their policy with

regard to shared programmatic responsibilities. But to the water commissioners, this agreement represented a political move designed to promote the construction of Two Forks. Based on more than 70 interviews conducted with members of the Denver metropolitan water community, it is clear that the board's intention was to undermine potential suburban opposition to the project while presenting the appearance of a unified front to the federal government. After all, the special district water distributors are suburban governments which made the Denver Water Board's application to the Corps of Engineers for a permit to build Two Forks seem like a request from dozens of thirsty governments not just one (Ellison, 1993).

The board's true willingness to share programmatic responsibilities was revealed shortly after the Two Forks veto when it announced a variety of new programs and policies intended to force the suburbs to bear the burdens of water shortages. This action infuriated the special district water distributors, who claimed that the Denver Water Board demonstrated a "Jekyll and Hyde" attitude "expecting and getting cooperation when it needs help on issues ... but then refusing to extend the same spirit of cooperation to water policy" (Massaro, 1989, p. 8).

The board's distributors hoped that their partnership was perpetual, but it was not. Although the water commissioners deny that they are trying to back out of the agreement, they are also quick to point out that several factors have changed their original terms. Under a new umbrella organization, the Metropolitan Denver Water Authority, the special districts filed suit against the water commissioners. The water commissioners have refused to support a lawsuit that could reverse the Environmental Protection Agency's decision. Moreover, the board already started development on other projects that were originally identified in the 1982 agreement as potential joint projects. The board's plan to expand its Williams Fork Collection System without the assistance of their special districts is a clear indication that the agency is no longer working under the provisions of the agreement (Ellison, 1993). Thus, to the critical analyst, it seems that the water commissioners simply used its special district distributors to pay the bill for their most costly water development venture.

CONCLUSIONS

This article seeks to demonstrate that government managers exhibit competitive behavior in the quest for organizational autonomy, and that challenges to core tasks can come from

similar agencies in other governments. This study also offered a strategy for assessing autonomy in action based on three overt behaviors: avoiding control by elected officials, avoiding unwanted functions, and resisting predation by other agencies. The results of this study indicate that the water commissioners have rarely strayed from their core tasks.

The primary mechanism the water commissioners use to avoid control by elected officials is their employment of legal, technical, and fiscal expertise to keep the public's attention focused on the agency's core tasks. Thus, as local elected officials from a variety of governments have challenged the Denver's water development plans, the water commissioners have always responded with technical language about the operation of the water utility rather than by addressing concerns about growth or economic development.

Next, the water commissioners have also avoided unwanted functions, especially those that are in conflict with their core tasks. Conservation programming, for example, seemed like social regulation to the water commissioners. While they did develop and implement conservation programs, they were kept strictly separated from the agency's planning and water resources development functions. Finally, the Denver Water Board has resisted predation by refusing to share programmatic responsibilities with other agencies. The water commissioners did offer to share programmatic responsibilities with its special district distributors under the Metropolitan Water Development Agreement, but the bottom line is that these governments were not even given a say in how the board spent more than \$32 million dollars of their money during the Two Forks permit process.

ENDNOTES

¹Charter of the City and County of Denver (ch. C, art. IV, sections C4.14 - 4.35).

²A list of the persons interviewed (including the dates, times, and places) can be obtained by writing the author at SMSU—Master of Public Administration Program, 901 S. National Ave., Springfield, Missouri 65804 (e-mail: bae041f@vma.smsu.edu).

³The water commissioners can live with federal water projects in Denver as long as they do not interfere with the agency's ability to perform its critical task. The Army Corps of Engineers, for example, operates two facilities in the metropolitan area that were constructed to provide flood control benefits, Cherry Creek Reservoir and Chatfield Reservoir. DWB even stores water in Chatfield Reservoir in order to help the Corps maintain instream flows on the South Platte River and Cherry Creek (Board of Water Commissioners, 1991).

⁴Central Records, Denver Water Board Minutes, 10 January 1984; 17 April 1984.

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